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Opinion

EDITORIAL: Senate should OK new foreclosure bill

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By The Oakland Press

We're not exactly sure what's wrong with Lansing, but most likely our officials are so preoccupied with politics they can't take a minute to act on a reasonable and fair piece of legislation.

Senate Bill 350 has been languishing in the Banking and Financial Institutions Committee since March 10, when it was introduced by Sen. Nancy Cassis, R-Novi.

The bill just makes sense — maybe that's Lansing's problem.

One of its staunch supporters is Oakland County Clerk Ruth Johnson. She says the bill would close a loophole in a previously approved law that allows "some unscrupulous investors and overwhelmed financial institutions to steal the last chance some families have to save their foreclosed homes."

In what can often be a rather confusing set of standards leading up to foreclosure, homeowners are actually being hampered in their efforts to save their property.

Homeowners who lose their homes to foreclosure have six months from the date the property was auctioned to redeem the house.

However, in 2005 state lawmakers changed real estate law to prohibit Michigan's county registers (county clerks) from calculating the amount of money needed to redeem a house that has gone through foreclosure. That was a service provided by county clerk offices for years.

Since 2005, however, that power is vested with the buyer — the person or persons with a financial stake in keeping the foreclosed house. Obviously, if a dishonest buyer purchased the home at a bargain basement price, he's not going to tell the homeowner how much is owed.

That's wrong. Homeowners have a right to know.

In some cases, those in foreclosure are being charged more than \$200 simply to find out what is owed. And these are people in debt.

Johnson says her office could research and provide the information for as little as \$50, just enough to cover expenses. The fact lobbyists are working against the proposal shows there is money to be made.

This bill should look familiar to some legislators. It is the same as the 2008 Senate Bill 1390, which finally passed the

Senate but died in the House.

The problem with this kind of bills is that while they don't cost taxpayers any money and they do help people, there are no lobbyists to speak for the average consumer.

Johnson notes there are many registers of deeds statewide who are against this. We're not sure why, and we won't speculate at this time.

Because of that, she says this year's version would affect only Oakland, Macomb and Kent counties. These three are the most interested in helping the homeowner.

As Johnson says, "It's unconscionable what's happening, and it is literally taking away a family's last chance to save their home."

You would think that most honest investors would make the information on the amount of money due readily available to someone who is losing their home, and then somehow manage to come up with enough funds to save it.

Unfortunately, it's a matter of greed — something that our society permits to readily, from the federal government on down, and it's even worse in corporate America.

So, passing Senate Bill 1390 would be an easy, fair and honest way to help people keep their homes.

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